
EPA CONFERENCE CALL



TOPICS DISCUSSED ON SEPTEMBER 12, 2019 DURING RECLAIM & REGULATION XIII WORKING GROUP MEETINGS

- ※ Federal CAA 110(l) demonstration
- ※ Post RECLAIM NSR requirements,
- ※ Amend Regulation XIII or Develop a New Post-RECLAIM NSR program
- ※ NSR applicability calculation for major modifications
- ※ NSR Reform – Applicability for major modifications
 - ※ Use of Baseline Actuals-to-Projected Actuals for NSR applicability

FEDERAL CAA 110(I) DEMONSTRATION

BACKGROUND

- 12 tpd NOx reduction has been SIP approved
 - In 2022, actual emissions must be below 14.5 tpd
- EPA commented that a demonstration that the actual emissions are less than 14.5 tpd before facilities exit RECLAIM

INITIAL RECOMMENDATION

One-time programmatic demonstration when SIP package submitted for RECLAIM transition (Late 2021/Early 2022)

Demonstration: Actual emissions below 14.5 tpd - can use future implementation dates of command-and-control rules

STAKEHOLDER RESPONSE

Demonstration should not be required because RECLAIM is a BARCT program designed to be equivalent to command-and control which establishes BARCT

SHOULD RULE 2005 BE RETAINED POST RECLAIM?

BACKGROUND

- Post-RECLAIM, facilities will need New Source Review (NSR) Requirements
 - Regulation XIII currently applies to all non-RECLAIM facilities
 - Rule 2005 establishes NSR provisions for RECLAIM facilities
- EPA commented that post-RECLAIM facilities cannot use Rule 2005 - Rule 2005 approved with entire RECLAIM program with special considerations because of declining allocations

INITIAL
RECOMMENDATION

Post-RECLAIM, former
RECLAIM facilities will be
subject to NSR requirements
under Regulation XIII

STAKEHOLDER
RESPONSE

Retain Rule 2005 post-
RECLAIM

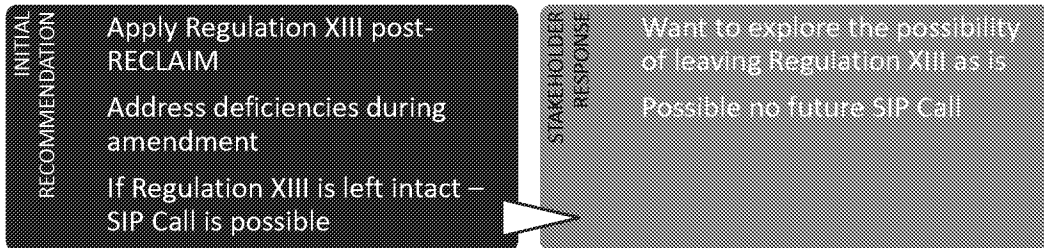
Requesting more information
on why Rule 2005 cannot be
retained

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CAN APPLICABILITY AND OFFSETTING CHANGES BE AVOIDED IF REGULATION XIII IS NOT AMENDED?

BACKGROUND

- Staff's original concept is to use Regulation XIII post- RECLAIM
- Staff has discussed with the RECLAIM Working Group changes to the applicability and offsetting that would affect modifications at major polluting facilities
- Stakeholders believe that if Regulation XIII is not amended, applicability and offsetting changes would no longer be an issue



SINCE A PTE-TO-PTE APPLICABILITY TEST WAS PREVIOUSLY ALLOWED, WHY IS IT NOW NOT ACCEPTABLE?

BACKGROUND

- PTE-to-PTE approved in Regulation XIII and is currently being used to determine applicability
- Current federal requirements do not allow a PTE-to-PTE test to determine applicability
- Actual-to-PTE was applicability test prior to 2002; unclear why PTE-to-PTE was approved
- U.S. EPA indicated that Regulation XIII would be reviewed according to the most recent Federal NSR provisions (2002 NSR reform)

STAFF RECOMMENDATION

Amend Regulation XIII to comply with federal requirements

STAKEHOLDER RESPONSE

PTE-to-PTE believed to have been approved with the consideration that BACT is required for minor sources

More stringent requirements on minor sources allowed for applicability test flexibility

PTE-to-PTE should still be acceptable

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IF PTE-TO-PTE CANNOT BE USED, CAN APPLICABILITY BE BASED ON BASELINE ACTUALS-TO-PROJECTED ACTUALS AND NOT PTE?

BACKGROUND

- Revised NSR program must comply with federal and state requirements
- Staff is concerned that allowing baseline actuals-to-projected actuals could result in backsliding because it may be less stringent than PTE-to-PTE in some cases and projected actual are difficult to enforce

State requires

- PTE-to-PTE

Federal requires

- Actuals-to-PTE, or
- Baseline Actuals-to-projected actuals

INITIAL RECOMMENDATION

Use an actuals-to-PTE test to satisfy both federal and state requirements

Demand growth is difficult to enforce for projected actuals

Difficult to require BACT after project is permitted

STAKEHOLDER RESPONSE

Stakeholders assert that using baseline actuals-to-projected actuals would not necessarily result in backsliding – test may not be less stringent in some cases